Economic Update December 2017

Economic Indicators

The **New Housing Price Index** for St. John's Metro was 98.9 in September 2017 down -1.1%**

The **Consumer Price Index** for St. John's Metro was 135.7 in October 2017 up 0.8%*

Retail trade for Newfoundland and Labrador was $779.2 million in September 2017 up 3.6%*

* same month in the previous year.
** With the release of the New Housing Price Index (NHPI) January 2017 data, the index base period, for which the NHPI equals 100, is December 2016.

Labour Force Characteristics

... as of October 2017

Labour Force	118,400 (down 7.1%)
Unemployment Rate	8.5% (down 0.8 ppts)
Employment Rate	58.6% (down 4.8 ppts)
Participation Rate	64.1% (down 5.7 ppts)

St. John's CMA, seasonally adjusted, three-month moving average. Percentage change reflects the same month previous year..

Business Briefs

Offshore oil project Hebron produces first oil

On November 27 Exxon Mobil announced that first oil had been produced ahead of schedule from the $14-billion Hebron project in the Jeanne D'Arc Basin about 350 kilometres southeast of St. John's. At its peak, it is designed to produce 150,000 barrels of oil per day. The project is expected to have a 30-year lifespan and will draw on a reservoir with 700-million barrels of oil. Hebron employed about 7,500 people at the peak of construction.

Education attainment and journey to work: 2016 Census results for the City of St. John's

- In 2016, 89.9% of people aged 25 to 64 in St. John's had a high school diploma or equivalency certificate, compared with 86.3% in Canada.
- In St. John's, 35.6% of people aged 25 to 64 had a bachelor's degree or higher in 2016, while 25.0% had a college, CEGEP or other non-university certificate or diploma as their highest level of education, and 3.5% had an apprenticeship certificate as their highest.
- In St. John's, 16.1% of women aged 25 to 64 with a bachelor's degree or higher studied STEM (science, technology, engineering and mathematics), compared with 36.5% of men. On the other hand, 83.9% of these women studied BHASE (non-STEM) fields of study such as business,

humanities, health, arts, social sciences, education, etc., compared with 63.5% of men.
- Average commuting duration for the employed labour force in St. John's was 16.8 minutes; 5.2% of the employed workforce took public transit while 9.4% of the employed labour force used an active mode of transport like walking or cycling.
- 4.6% of the employed workforce in St. John's worked from home, compared to 3.4% in 2011.

St. John's area apartment rental market was relatively unchanged in 2017

According to the results of Canada Mortgage and Housing Corporation's Rental Market Survey conducted in October 2017, the vacancy rate in the St. John's metro area decreased slightly from 7.9% to 7.2% after eight years of increases. The easing of the rental market in recent years is attributed to lacklustre demand because of economic weakness and an increase in newly built apartments since 2012. The overall average rent in the St. John's area for a two-bedroom apartment came in at $941. The average national monthly rent for a two-bedroom rental apartment rose 2.8% to $989. Read the full report here: www.cmhc-schl.gc.ca

City Building Permits (year to date)

As of December 4, 2017:

- **Commercial** permits are up 19% to $145,586,487 for 2017 over $122,436,558 for 2016
- **Industrial** permits are up 100%, from $0 in 2016 to $5,100,000 for 2017
- **Government/Institutional** permits are down 68% from $6,053,109 in 2016 to $1,952,594 in 2017.*
- **Residential** permits are up this year, 16% over 2016: $84,294,875 for 2017 over $72,546,705 for 2016.
- **Repairs** are down 28%, from $4,457,079 in 2016 to $3,217,798 in 2017

** Note that this data doe not include the full range of permit activity undertaken by the provincial government and its agencies.*

Business Approvals

E Bike Universe, 37 Stavanger Dr.
Sushi Maki, 655 Topsail Rd.
Natural Boutique, 25 Stavanger Dr.
Bow Shot, 152 Water St.
Yes B'Y'S, 7-9 Queen St.
H&R Block, 40-70 Hamlyn Rd.
Aylward Law, 400 Elizabeth Ave.
The Puffin Hut, 268 Water St.
Yellowbelly Brewery takeaway, 264 Water St.
Kuma Bento, Village Mall
Bark Avenue Groomer, 394 Kenmount Rd.
MD Financial Management, 80 Hebron Way

Home-based Businesses

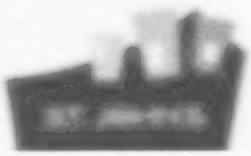
Office for a project manager, 3 Eastmeadows Pl.
Carpenter, 43 Densmore's Ln.
Admin office for Go Baby Rentals, 128 Donovan's Rd.

Totals

Year to Date: 143

- Regular 82
- Home-based 61

City Initiatives



Planning Underway for Water Street Infrastructure Project in 2018

Following discussions with utility providers and an assessment of the use of trenchless technology to address the aging water and sewer infrastructure along Water Street, the City of St. John's is now prepared to move forward with plans for a rehabilitation program. Following the tendering process, Phase 1 should begin in April 2018 and covers the area between Queen Street to Bishop's Cove. Work will include installation of new manholes, catchbasins and leads, and storm sewers at the Water Street/Adelaide Street/Bishop's Cove intersection. Once the work is completed, the intersection will be reconfigured with accessible pedestrian signals. The City will share project information and updates using its website www.stjohns.ca and engagement site at engagestjohns.ca.

Upcoming Events

December 11 Marketing & Communications Workshop: MOTR
December 13 Preparing to Compete and Win in a Low Carbon Economy workshop
December 13 Institute of Public Administration of Canada – NL chapter AGM
December 13 Extraordinary Women & Men Breakfast featuring entrepreneur Kathie Hicks
December 14 Webinar: Global Export Forecast 2017 with Peter Hall
January 5 St. John's Board of Trade 101 Session

Department of Community Services | Economic Development, Culture and Partnerships
(709) 576-8107 | business@stjohns.ca | www.stjohns.ca